

News and Information

from the Tennessee Division of Consumer Affairs

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ATTORNEYS GENERAL CRACK DOWN ON TELEPHONE "CRAMMERS"

If you've ever entered a sweepstakes or drawing only to discover later you were signed up for a service you don't remember ordering, you are likely the target of a deceptive practice known as "cramming," and may be eligible for a refund.

The practice of placing unauthorized charges for services other than telephone calls on telephone bills, often referred to as "cramming," has become increasingly problematic nationwide. As a result, Tennessee has joined the efforts of 14 other states to stop the allegedly misleading activity.

The Tennessee Attorney General's Office and the Tennessee Division of Consumer Affairs signed a settlement agreement with RRV Enterprises, Inc., a Texas corporation, to stop promoting its long distance calling cards through sweepstakes and prize giveaways.

The complaint alleges the RRV, doing business under the name Consumer Access, misled some consumers who thought they were merely entering a drawing to win a vehicle or cash prize. RRV allegedly used the forms as authorization to sign customers onto their calling card program for an initial fee and a monthly fee thereafter. By not disclosing the required information, the company is alleged to have violated consumer protection laws.

"Consumers should be very careful about entering contests. Always read the fine print and the details before entering," Tennessee Attorney General Paul Summers said, "Ask questions about what you're signing when registering for a contest. In addition, it's a good idea to check your telephone bill closely each month to ensure you are not paying for something you didn't order."

RRV has admitted no wrongdoing, but agreed to pay the states more than \$300,000. Tennessee's share is \$35,000, which will be used to pay for the costs of the investigation and enforcement of consumer laws.

The State has so far logged 55 complaints against RRV, most of whom should have received refunds or credit. Anyone who was billed within the past year by Consumer Access is entitled to a full refund or credit excluding long distance calls, if the customer certifies that the signature on the contest entry form is not theirs. If the customer does acknowledge the signature the theirs, they are entitled to a refund or credit of any initial fees plus one month's access fee.

Refund requests may be sent to: Consumer Access, P.O. Box 27848, Houston, TX 77227 or by calling 800.555.4159.

Other states joining today's action include: Arkansas, Florida, Idaho, Kansas, Michigan, Missouri, New Jersey, North Carolina, Ohio, Oregon, Pennsylvania, Rhode Island, Texas and West Virginia.